CHAPTER 29

GOVERNMENT - STATE

SENATE BILL 03-182

BY SENATOR(S) Teck, Owen, and Reeves; also REPRESENTATIVE(S) Witwer, Plant, Young, and Smith.

AN ACT

CONCERNING THE CONSOLIDATION OF PROGRAMS IMPLEMENTED BY THE DEPARTMENT OF LOCAL AFFAIRS THAT PERTAIN TO THE REGULATION OF CONSTRUCTION, AND, IN CONNECTION THE REWITH, CONSOLIDATING PROGRAMS FOR THE REGULATION OF FACTORY-BUILT STRUCTURES, MULTI-FAMILY STRUCTURES WHERE NO STANDARDS EXIST, MANUFACTURED HOME INSTALLATIONS, AND SELLERS OF MANUFACTURED HOMES.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. Repeal. Part 6 of article 1 of title 6, 24-32-703 (1), (1.4), (1.6), (1.8), (3), (3.1), (3.2), (3.4), (3.8), (4), (6), (6.1), (6.2), (6.3), (6.4), (6.5), (6.6), (6.7), (6.8), (6.9), and (7), 24-32-705 (1) (d), (1) (e) (I), (1) (e) (II), and (1) (o), 24-32-707 (1) (h) and (1) (i), 24-32-708.5, 24-32-709, 24-32-710, 24-32-711, 24-32-712, 24-32-713, 24-32-714, 24-32-715, 24-32-715.5, 24-32-716, and parts 19 and 31 of article 32 of title 24, Colorado Revised Statutes, are repealed.

SECTION 2. Article 32 of title 24, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PART to read:

PART 33

REGULATION OF FACTORY-BUILT STRUCTURES, MULTI-FAMILY STRUCTURES WHERE NO STANDARDS EXIST, MANUFACTURED HOME INSTALLATIONS, AND SELLERS OF MANUFACTURED HOMES

- **24-32-3301. Legislative declaration.** (1) THE GENERAL ASSEMBLY HEREBY FINDS, DETERMINES, AND DECLARES THAT:
- (a) THE COMPREHENSIVE REGULATION OF THE MANUFACTURE OF FACTORY-BUILT STRUCTURES TO ENSURE SAFETY IS A MATTER OF STATEWIDE CONCERN.

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

- (b) THE COMPREHENSIVE REGULATION OF THE INSTALLATION OF MANUFACTURED HOMES TO ENSURE SAFETY, AFFORDABILITY, AND PERFORMANCE IS A MATTER OF STATEWIDE AND LOCAL CONCERN.
- (c) THE PROTECTION OF COLORADO CONSUMERS WHO PURCHASE MANUFACTURED HOMES FROM FRAUD AND OTHER UNFAIR BUSINESS PRACTICES IS A MATTER OF STATEWIDE CONCERN AND CONSUMERS CAN BEST BE PROTECTED BY:
- (I) REQUIRING REGISTRATION OF PERSONS ENGAGED IN THE BUSINESS OF SELLING MANUFACTURED HOMES;
- (II) IMPOSING UNIFORM ESCROW AND BONDING REQUIREMENTS UPON PERSONS ENGAGED IN THE BUSINESS OF SELLING MANUFACTURED HOMES; AND
- (III) REQUIRING PERSONS ENGAGED IN THE BUSINESS OF SELLING MANUFACTURED HOMES TO INCLUDE SPECIFIED DISCLOSURES AND PROVISIONS IN ANY CONTRACT FOR THE SALE OF A MANUFACTURED HOME.
- (d) The imposition of registration requirements upon sellers of manufactured homes by both the state and political subdivisions of the state would impose an undue burden upon sellers of manufactured homes and discourage the sale of manufactured homes.
- (e) The uniform registration, escrow and bonding, and contract requirements imposed on sellers of manufactured homes by this part 33 are exclusive and no political subdivision of the state shall impose any additional registration, escrow and bonding, or contract requirements on the sellers.
- (2) THE GENERAL ASSEMBLY FURTHER DECLARES THAT IN ENACTING THIS PART 33, IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THE DIVISION ESTABLISH THROUGH THE BOARD RULES AS IT DEEMS NECESSARY TO ENSURE:
 - (a) THE SAFETY OF FACTORY-BUILT STRUCTURES;
 - (b) CONSUMER SAFETY IN THE PURCHASE OF MANUFACTURED HOMES;
- (c) THE REGISTRATION OF MANUFACTURED HOME INSTALLERS AND THE CREATION OF UNIFORM STANDARDS FOR THE INSTALLATION OF MANUFACTURED HOMES ON A STATEWIDE BASIS; AND
- (d) The Safety of Hotels, Motels, and Multi-Family Structures in Areas of the State where no construction Standards for Hotels, Motels, and Multi-Family Structures exist.
- **24-32-3302. Definitions.** AS USED IN THIS PART 33, UNLESS THE CONTEXT OTHERWISE REQUIRES:
- (1) "AUTHORIZED QUALITY ASSURANCE REPRESENTATIVE" MEANS ANY QUALITY ASSURANCE REPRESENTATIVE APPROVED BY THE DIVISION PURSUANT TO SECTION 24-32-3303 (1) (c).

- (2) "BOARD" MEANS THE STATE HOUSING BOARD CREATED IN SECTION 24-32-706.
- (3) "CERTIFICATE OF INSTALLATION" MEANS A CERTIFICATE ISSUED BY THE DIVISION FOR AN INSTALLATION OF A MANUFACTURED HOME THAT MEETS THE REQUIREMENTS OF THIS PART 33.
- (4) "CERTIFIED INSTALLER" MEANS AN INSTALLER OF MANUFACTURED HOMES WHO IS REGISTERED WITH THE DIVISION AND WHO HAS INSTALLED AT LEAST FIVE MANUFACTURED HOMES IN COMPLIANCE WITH THE MANUFACTURER'S INSTRUCTIONS OR STANDARDS CREATED BY THE DIVISION PURSUANT TO THIS PART 33.
- (5) "DEALER" MEANS ANY PERSON ENGAGED IN THE SALE, LEASING, OR DISTRIBUTION OF NEW MANUFACTURED HOMES PRIMARILY TO PERSONS WHO IN GOOD FAITH PURCHASE OR LEASE A MANUFACTURED HOME FOR PURPOSES OTHER THAN RESALE.
- (6) "DEFECT" MEANS ANY DEVIATION IN THE PERFORMANCE, CONSTRUCTION, COMPONENTS, OR MATERIAL OF A MANUFACTURED HOME THAT RENDERS THE HOME OR ANY PART THEREOF NOT FIT FOR THE ORDINARY USE FOR WHICH IT WAS INTENDED.
- (7) "DISTRIBUTOR" MEANS ANY PERSON ENGAGED IN THE SALE AND DISTRIBUTION OF MANUFACTURED HOMES FOR RESALE.
 - (8) "DIVISION" MEANS THE DIVISION OF HOUSING CREATED IN SECTION 24-32-704.
- (9) "FACTORY-BUILT NONRESIDENTIAL STRUCTURE" MEANS ANY STRUCTURE OR COMPONENT THEREOF DESIGNED PRIMARILY FOR COMMERCIAL, INDUSTRIAL, OR OTHER NONRESIDENTIAL USE, EITHER PERMANENT OR TEMPORARY, INCLUDING A MANUFACTURED UNIT THAT IS WHOLLY OR IN SUBSTANTIAL PART MADE, FABRICATED, FORMED, OR ASSEMBLED IN MANUFACTURING FACILITIES FOR INSTALLATION OR ASSEMBLY AND INSTALLATION ON A PERMANENT OR TEMPORARY FOUNDATION AT THE BUILDING SITE.
- (10) "FACTORY-BUILT RESIDENTIAL STRUCTURE" MEANS A MANUFACTURED HOME CONSTRUCTED TO THE BUILDING CODES ADOPTED BY THE BOARD AND DESIGNED TO BE INSTALLED ON A PERMANENT FOUNDATION, EXCEPT FOR HOMES CONSTRUCTED TO A FEDERAL MANUFACTURED HOME CONSTRUCTION AND SAFETY STANDARD AND ANY HOME DESIGNATED AS A MOBILE HOME.
- (11) "FACTORY-BUILT STRUCTURE" MEANS FACTORY-BUILT NONRESIDENTIAL AND FACTORY-BUILT RESIDENTIAL BUILDINGS.
- (12) "FEDERAL ACT" MEANS THE "NATIONAL MANUFACTURED HOUSING CONSTRUCTION AND SAFETY STANDARDS ACT OF 1974", 42 U.S.C. SEC. 5401 ET SEQ.
- (13) "FEDERAL MANUFACTURED HOME CONSTRUCTION AND SAFETY STANDARD" MEANS ANY STANDARD PROMULGATED BY THE SECRETARY OF THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT PURSUANT TO THE FEDERAL ACT.
 - (14) "IMMINENT SAFETY HAZARD" MEANS AN IMMINENT AND UNREASONABLE RISK

OF DEATH OR SEVERE PERSONAL INJURY.

- (15) "Independent contractor" means a local jurisdiction, individual, private firm, housing inspector, or engineer who has been approved by the division to perform or enforce installation inspections.
- (16) "INSTALLATION" MEANS THE PLACEMENT OF A MANUFACTURED HOME ON A PERMANENT OR TEMPORARY FOUNDATION SYSTEM. "INSTALLATION" INCLUDES WITHOUT LIMITATION SUPPORTING, BLOCKING, LEVELING, SECURING, OR ANCHORING THE HOME AND CONNECTING MULTIPLE OR EXPANDABLE SECTIONS OF THE HOME.
- (17) "INSTALLER" MEANS ANY PERSON WHO PERFORMS THE INSTALLATION OF A MANUFACTURED HOME.
- (18) "LOCAL GOVERNMENT" MEANS THE GOVERNMENT OF A TOWN, CITY, COUNTY, OR CITY AND COUNTY.
- (19) "MANUFACTURE" MEANS THE PROCESS OF MAKING, FABRICATING, CONSTRUCTING, FORMING, OR ASSEMBLING A PRODUCT FROM RAW, UNFINISHED, OR SEMI-FINISHED MATERIALS.
- (20) "MANUFACTURED HOME" MEANS ANY PRECONSTRUCTED BUILDING UNIT OR COMBINATION OF PRECONSTRUCTED BUILDING UNITS THAT:
- (a) INCLUDE ELECTRICAL, MECHANICAL, OR PLUMBING SERVICES THAT ARE FABRICATED, FORMED, OR ASSEMBLED AT A LOCATION OTHER THAN THE SITE OF THE COMPLETED HOME;
- (b) Is designed for residential occupancy in either temporary or permanent locations;
- (c) IS CONSTRUCTED IN COMPLIANCE WITH THE FEDERAL ACT, FACTORY-BUILT RESIDENTIAL REQUIREMENTS, OR MOBILE HOME STANDARDS;
 - (d) Does not have motor power; and
 - (e) IS NOT LICENSED AS A RECREATIONAL VEHICLE.
- (21) "MANUFACTURED HOME CONSTRUCTION" MEANS ALL ACTIVITIES RELATING TO THE ASSEMBLY, MANUFACTURE, MAJOR REPAIR, OR ALTERATION OF A MANUFACTURED HOME, INCLUDING BUT NOT LIMITED TO ACTIVITIES RELATING TO DURABILITY, QUALITY, AND SAFETY.
- (22) "MANUFACTURED HOME SAFETY" MEANS THE PERFORMANCE OF A MANUFACTURED HOME IN SUCH A MANNER THAT THE PUBLIC IS PROTECTED AGAINST ANY UNREASONABLE RISK OF OCCURRENCE OF ACCIDENTS DUE TO THE DESIGN OR CONSTRUCTION OF THE MANUFACTURED HOME OR ANY UNREASONABLE RISK OF DEATH OR INJURY TO THE USER OR TO THE PUBLIC IF ACCIDENTS DO OCCUR.
- (23) "MANUFACTURER" MEANS ANY PERSON WHO CONSTRUCTS OR ASSEMBLES A MANUFACTURED RESIDENTIAL OR NONRESIDENTIAL STRUCTURE IN A FACTORY OR

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OTHER OFF-SITE LOCATION.

- (24) "MOBILE HOME" MEANS A MANUFACTURED HOME BUILT PRIOR TO THE ADOPTION OF THE FEDERAL ACT.
 - (25) "MODULAR HOME" MEANS A FACTORY-BUILT RESIDENTIAL STRUCTURE.
 - (26) "OWNER" MEANS THE OWNER OF A MANUFACTURED HOME.
- (27) "PRINCIPAL" MEANS AN OFFICER OF A CORPORATION, A MEMBER OF A LIMITED LIABILITY COMPANY, A GENERAL PARTNER OF A PARTNERSHIP, THE SOLE PROPRIETOR OF A SOLE PROPRIETORSHIP, OR ANY OTHER PERSON WHO HAS A FINANCIAL INTEREST OF TEN PERCENT OR MORE IN ANY LEGAL OR COMMERCIAL ENTITY.
- (28) "PRODUCTION REVIEW" MEANS AN EVALUATION OF A MANUFACTURER AND A FACILITY'S ABILITY TO FOLLOW APPROVED PLANS, STANDARDS, CODES, AND QUALITY CONTROL PROCEDURES DURING MANUFACTURE.
- (29) "PURCHASER" MEANS THE FIRST PERSON PURCHASING A MANUFACTURED HOME IN GOOD FAITH FOR PURPOSES OTHER THAN RESALE.
- (30) "QUALITY ASSURANCE REPRESENTATIVE" MEANS ANY STATE, FIRM, CORPORATION, OR OTHER ENTITY THAT PROPOSES TO CONDUCT PRODUCTION REVIEWS, EVALUATE A MANUFACTURER'S QUALITY CONTROL PROCEDURES, AND PERFORM DESIGN EVALUATIONS FOR MANUFACTURED HOUSING UNITS.
- (31) "REGISTERED INSTALLER" MEANS AN INSTALLER WHO HAS REGISTERED WITH THE DIVISION, BUT WHO HAS NOT YET INSTALLED FIVE MANUFACTURED HOMES THAT HAVE BEEN INSPECTED BY THE DIVISION FOR COMPLIANCE WITH THE MANUFACTURER'S INSTRUCTIONS OR STANDARDS CREATED BY THE DIVISION PURSUANT TO THIS PART 33.
- (32) "SECRETARY" MEANS THE SECRETARY OF THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.
- (33) "SITE" MEANS THE ENTIRE TRACT, SUBDIVISION, OR PARCEL OF LAND ON WHICH MANUFACTURED HOMES ARE INSTALLED.
- **24-32-3303.** Division of housing powers and duties. (1) The division shall have the following powers and duties pursuant to this part 33:
- (a) TO ADMINISTER AND ENFORCE UNIFORM CONSTRUCTION AND MAINTENANCE STANDARDS ADOPTED BY THE BOARD PURSUANT TO THIS PART 33;
- (b) TO CONDUCT CONTINUING RESEARCH INTO NEW APPROACHES TO HOUSING THROUGHOUT THE STATE, INCLUDING BUT NOT LIMITED TO THE FOLLOWING:
- (I) The development of housing standards and construction codes based on performance; and
 - (II) MODULAR HOUSING; AND

- (c) TO REVIEW AND APPROVE QUALITY ASSURANCE REPRESENTATIVES THAT INTEND TO PERFORM INSPECTIONS AND ISSUE INSIGNIA OF APPROVAL PURSUANT TO THIS PART
- 24-32-3304. State housing board powers and duties. (1) THE BOARD SHALL HAVE THE FOLLOWING POWERS AND DUTIES PURSUANT TO THIS PART 33:
- (a) TO PROMULGATE UNIFORM CONSTRUCTION AND MAINTENANCE STANDARDS FOR HOTELS, MOTELS, AND MULTIPLE-FAMILY DWELLINGS IN THOSE AREAS OF THE STATE WHERE NO STANDARDS EXIST;
- (b) TO PROMULGATE UNIFORM CONSTRUCTION STANDARDS FOR FACTORY-BUILT RESIDENTIAL AND NONRESIDENTIAL STRUCTURES;
- TO DEVELOP AND SUBMIT TO THE GENERAL ASSEMBLY AND LOCAL GOVERNMENT UNITS RECOMMENDATIONS FOR UNIFORM HOUSING STANDARDS AND BUILDING CODES:
- (d) TO PROMULGATE RULES ESTABLISHING STANDARDS FOR THE INSTALLATION AND SETUP OF MANUFACTURED HOUSING UNITS; AND
- (e) TO PROMULGATE RULES ESTABLISHING SPECIFIC STANDARDS FOR THE USE OF PRIVATE INSPECTION AND CERTIFICATION ENTITIES TO PERFORM THE DIVISION'S CERTIFICATION AND INSPECTION FUNCTIONS WITH RESPECT TO IN-STATE AND OUT-OF-STATE INSPECTIONS OF MANUFACTURED HOUSING UNITS. THE STANDARDS SHALL ALLOW, CONSISTENT WITH SECTION 13 OF ARTICLE XII OF THE STATE CONSTITUTION, THE PROVISIONS OF PART 5 OF ARTICLE 50 OF THIS TITLE, AND THE RULES OF THE STATE PERSONNEL BOARD, FOR THE USE OF PRIVATE INSPECTION AND CERTIFICATION ENTITIES WHEN THE ENTITIES ARE AVAILABLE AT A REASONABLE COST. THE STANDARDS SHALL NOT PROHIBIT A MANUFACTURER FROM HAVING THE OPTION TO CONTRACT WITH THE DIVISION OR AN AUTHORIZED QUALITY ASSURANCE REPRESENTATIVE TO PERFORM INSPECTION AND CERTIFICATION FUNCTIONS.
- 24-32-3305. Rules advisory committee enforcement. (1) THE BOARD SHALL PROMULGATE RULES AS IT DEEMS NECESSARY TO ENSURE:
 - (a) THE SAFETY OF FACTORY-BUILT STRUCTURES;
 - (b) THE SAFETY OF CONSUMERS PURCHASING MANUFACTURED HOMES;
 - (c) THE SAFETY OF MANUFACTURED HOME INSTALLATIONS; AND
- (d) THE SAFETY OF HOTELS, MOTELS, AND MULTI-FAMILY STRUCTURES IN AREAS OF THE STATE WHERE NO CONSTRUCTION STANDARDS FOR HOTELS, MOTELS, AND MULTI-FAMILY STRUCTURES EXIST.
- (2) RULES PROMULGATED BY THE BOARD SHALL INCLUDE PROVISIONS IMPOSING REQUIREMENTS REASONABLY CONSISTENT WITH RECOGNIZED AND ACCEPTED STANDARDS ADOPTED BY THE INTERNATIONAL CONFERENCE OF BUILDING OFFICIALS, THE INTERNATIONAL CODE COUNCIL, THE INTERNATIONAL ASSOCIATION OF PLUMBING AND MECHANICAL OFFICIALS, THE NATIONAL FIRE PROTECTION ASSOCIATION, THE

COLORADO STATE PLUMBING AND ELECTRICAL CODES, AND THE STRUCTURAL ENGINEERS ASSOCIATION OF COLORADO, OR A COMBINATION THEREOF, EXCEPT TO THE EXTENT THAT THE BOARD FINDS THAT THE STANDARDS AND CODES ARE INCONSISTENT WITH THIS PART 33. ALL RULES PROMULGATED BY THE BOARD SHALL BE ADOPTED PURSUANT TO ARTICLE 4 OF THIS TITLE.

- (3) The board shall consult with and obtain the advice of an advisory committee on residential and nonresidential structures in the drafting and promulgation of rules. The committee shall consist of twelve members appointed by the state director of housing from the following professional and technical disciplines: One from architecture, one from structural engineering, three from building code enforcement, one from mechanical engineering or contracting, one from electrical engineering or contracting, one from the plumbing industry, one from the mobile home industry, one from the construction design or producer industry, one from manufactured housing, and one from organized labor. Committee members shall be reimbursed for actual and necessary expenses incurred while engaged in official duties.
- (4) The division shall enforce the provisions of this part 33 and the rules adopted pursuant thereto.
- (5) THE DIVISION MAY ACT AS AGENT FOR THE FEDERAL GOVERNMENT FOR THE ENFORCEMENT OF MOBILE HOME SAFETY AND CONSTRUCTION STANDARDS RELATING TO ANY ISSUE WITH RESPECT TO WHICH A FEDERAL STANDARD HAS BEEN ESTABLISHED UNDER THE FEDERAL ACT.
- **24-32-3306.** Recognition of similar standards compliance with standards. (1) If the board determines that standards for factory-built housing prescribed by statute or rule of another state or by the United States department of housing and urban development are reasonably consistent with, or equal to, standards required by this part 33, it may provide by rule that factory-built housing approved by the other state or by the department meets the standards required by this part 33.
- (2) NO PERSON, PARTNERSHIP, FIRM, CORPORATION, OR OTHER ENTITY MAY MANUFACTURE, SELL, OR OFFER FOR SALE WITHIN THIS STATE ANY NEW FACTORY-BUILT STRUCTURE THAT IS NOT MANUFACTURED IN COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE CONSTRUCTION STANDARDS ADOPTED BY THE BOARD.
- **24-32-3307. Noncompliance with standards.** (1) The state director of housing may obtain injunctive relief from the appropriate court to enjoin the manufacture, substantial repair or alteration, sale, delivery, or installation of factory-built housing by filing an affidavit specifying the manner in which the housing does not conform to the requirements of this part 33 or to rules promulgated pursuant to section 24-32-3305. The director or the director's designee may suspend the issuance of insignias of approval while injunctive relief is being sought.
- (2) IF THE DIVISION, ACTING AS AGENT FOR THE FEDERAL GOVERNMENT, DETERMINES THAT ANY MANUFACTURED HOME DOES NOT CONFORM TO APPLICABLE

STATE OR FEDERAL MANUFACTURED HOME CONSTRUCTION AND SAFETY STANDARDS OR THAT IT CONTAINS A DEFECT THAT CONSTITUTES AN IMMINENT SAFETY HAZARD AFTER THE SALE OF THE MANUFACTURED HOME BY A MANUFACTURER TO A DISTRIBUTOR OR DEALER AND PRIOR TO THE SALE OF THE MANUFACTURED HOME BY THE DISTRIBUTOR OR DEALER TO A PURCHASER, THE MANUFACTURER SHALL PROVIDE FOR PARTS REPLACEMENT AND INSTALLATION REIMBURSEMENT AS REQUIRED UNDER THE FEDERAL ACT OR RULES ADOPTED PURSUANT THERETO.

- **24-32-3308. Violation penalty.** (1) A PERSON WHO VIOLATES ANY OF THE PROVISIONS OF THIS PART 33 OR ANY RULE PROMULGATED PURSUANT TO SECTION 24-32-3305 SHALL BE SUBJECT TO A CIVIL PENALTY OF UP TO ONE THOUSAND DOLLARS AS DETERMINED BY THE BOARD. A SEPARATE VIOLATION SHALL BE DEEMED TO HAVE OCCURRED WITH RESPECT TO EACH HOUSING UNIT INVOLVED. A CIVIL PENALTY COLLECTED PURSUANT TO THIS SECTION SHALL BE TRANSMITTED TO THE STATE TREASURER WHO SHALL CREDITTHE SAME TO THE BUILDING REGULATION FUND CREATED IN SECTION 24-32-3309.
- (2) In the case of any unit certified under the federal act, civil and criminal penalties provided for in the federal act shall be imposed. Any civil penalty collected pursuant to this section shall be transmitted to the state treasurer, who shall credit the same to the building regulation fund.
- 24-32-3309. Fees building regulation fund. THE BOARD, BY RULE, SHALL ESTABLISH A SCHEDULE OF FEES DESIGNED TO PAY ALL DIRECT AND INDIRECT COSTS INCURRED BY THE DIVISION IN CARRYING OUT AND ENFORCING THE PROVISIONS OF THIS PART 33: EXCEPT THAT THE AMOUNT OF THE REGISTRATION FEE FOR INSTALLERS OF MANUFACTURED HOMES IS THE AMOUNT SPECIFIED IN SECTION 24-32-3315 (5) AND THE AMOUNT OF THE REGISTRATION FEE FOR SELLERS OF MANUFACTURED HOMES IS THE AMOUNT SPECIFIED IN SECTION 24-32-3323 (3). BEFORE ESTABLISHING THE SCHEDULE OF FEES, THE BOARD SHALL GATHER INFORMATION REGARDING THE FEES CHARGED BY COLORADO LOCAL GOVERNMENTS FOR THE INSPECTION AND CERTIFICATION OF IMPROVEMENTS TO RESIDENTIAL REAL PROPERTY THAT ARE NOT MANUFACTURED HOMES AND THE FEES CHARGED BY GOVERNMENTAL ENTITIES OUTSIDE OF COLORADO FOR THE INSPECTION AND CERTIFICATION OF MANUFACTURED HOMES. THE FEES SHALL BE PAID TO THE DIVISION AND TRANSMITTED TO THE STATE TREASURER, WHO SHALL CREDIT THE FEES TO THE BUILDING REGULATION FUND, WHICH FUND IS HEREBY CREATED IN THE STATE TREASURY. ALL INTEREST DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEYS IN THE FUND SHALL BE CREDITED TO THE FUND. AT THE END OF ANY FISCAL YEAR, ALL UNEXPENDED AND UNENCUMBERED MONEYS IN THE FUND SHALL REMAIN IN THE FUND AND SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR ANY OTHER FUND OR USED FOR ANY OTHER PURPOSE OTHER THAN TO OFFSET THE COSTS OF IMPLEMENTING AND ADMINISTERING AND ENFORCING THE PROVISIONS OF THIS PART 33.
- **24-32-3310.** Local enforcement. Nothing in this part 33 shall interfere with the right of local governments to enforce local rules governing the installation of factory-built housing approved pursuant to this part 33 if the local rules are not inconsistent with state rules adopted pursuant to section 24-32-3305.

- **24-32-3311.** Certification of factory-built residential and nonresidential structures. (1) Factory-built structures manufactured, substantially altered or repaired, sold, or offered for sale within this state after the effective date of the rules promulgated pursuant to this part 33 shall bear an insignia of approval issued by the division and affixed by the division or an authorized quality assurance representative.
- (2) FACTORY-BUILT RESIDENTIAL STRUCTURES MANUFACTURED PRIOR TO MARCH 31, 1971, SHALL BE SUBJECT TO ANY EXISTING STATE OR LOCAL GOVERNMENT RULES RELATING TO THE MANUFACTURE OF THE STRUCTURES.
- (3) FACTORY-BUILT NONRESIDENTIAL STRUCTURES MANUFACTURED PRIOR TO JUNE 31, 1991, SHALL BE SUBJECT TO ANY EXISTING STATE OR LOCAL GOVERNMENT RULES RELATING TO THE MANUFACTURE OF THE STRUCTURES.
- (4) ALL FACTORY-BUILT STRUCTURES BEARING AN INSIGNIA OF APPROVAL ISSUED BY THE DIVISION AND AFFIXED BY THE DIVISION OR AN AUTHORIZED QUALITY ASSURANCE REPRESENTATIVE PURSUANT TO THIS PART 33 SHALL BE DEEMED TO COMPLY WITH THE REQUIREMENTS OF ALL ORDINANCES OR RULES, INCLUDING THOSE FOR ELECTRICAL AND PLUMBING, ENACTED BY THE STATE GOVERNMENT AND ANY LOCAL GOVERNMENT THAT ARE APPLICABLE TO THE MANUFACTURE OF THE STRUCTURES. THE DETERMINATION BY THE BOARD OF THE SCOPE OF SUCH APPROVAL IS FINAL.
- (5) NO FACTORY-BUILT STRUCTURES BEARING AN INSIGNIA OF APPROVAL ISSUED BY THE DIVISION AND AFFIXED BY THE DIVISION OR AN AUTHORIZED QUALITY ASSURANCE REPRESENTATIVE PURSUANT TO THIS PART 33 SHALL BE IN ANY WAY MODIFIED CONTRARY TO THE RULES PROMULGATED PURSUANT TO SECTION 24-32-3305 PRIOR TO OR DURING INSTALLATION UNLESS APPROVAL IS FIRST OBTAINED FROM THE DIVISION.
- (6) ALL MODIFICATIONS AND REPAIRS TO FACTORY-BUILT STRUCTURES PREVIOUSLY INSTALLED SHALL BE SUBJECT TO APPLICABLE LOCAL GOVERNMENT RULES.
- **24-32-3312. Notification and correction of defects.** A manufacturer to be certified as meeting federal standards shall furnish notification of any defect in a manufactured home produced by the manufacturer that the manufacturer determines, in good faith, relates to a manufactured home construction or safety standard or constitutes an imminent safety hazard to the purchaser of the manufactured home within a reasonable time after the manufacturer has discovered the defect in accordance with the provisions under the federal act or any board rule.
- **24-32-3313. Injunctive relief.** The state director of housing may request the appropriate court to enjoin the sale or delivery of any factory-built structure upon an affidavit, specifying the manner in which the factory-built structure does not conform to the requirements of this part 33 or the rules promulgated pursuant to this part 33. The director may suspend the authority of a manufacturer to affix insignias while injunctive relief is being sought.

- **24-32-3314.** Cooperation with department of revenue. The division shall cooperate with the department of revenue in any manner feasible to ensure that the provisions of this part 33 are carried out.
- **24-32-3315. Installers of manufactured homes registration.** (1) (a) ANY INSTALLER IN THIS STATE SHALL FIRST REGISTER WITH THE DIVISION. A REGISTERED INSTALLER SHALL BE RESPONSIBLE FOR SUPERVISING ALL EMPLOYEES AND FOR THE PROPER AND COMPETENT PERFORMANCE OF ALL EMPLOYEES WORKING UNDER HIS OR HER SUPERVISION.
- (b) Persons who shall not be required to register as an installer with the division include:
- (I) A PERSON EMPLOYED BY A REGISTERED OR CERTIFIED INSTALLER, AS WELL AS A PERSON EMPLOYED BY A LEGAL OR COMMERCIAL ENTITY EMPLOYING A REGISTERED OR CERTIFIED INSTALLER WHEN PERFORMING INSTALLATION FUNCTIONS UNDER THE DIRECT ON-SITE SUPERVISION OF THE REGISTERED OR CERTIFIED INSTALLER; AND
- (II) A PERSON WHO INSTALLS ONE MANUFACTURED HOME IN A TWELVE-MONTH PERIOD ON REAL PROPERTY OWNED BY THE PERSON.
- (c) A homeowner who installs the owner's own manufactured home is not required to register as an installer with the division but shall comply with all provisions of this part 33 other than registration provisions.
- (2) EACH REGISTERED INSTALLER SHALL FILE WITH THE DIVISION A LETTER OF CREDIT, CERTIFICATE OF DEPOSIT ISSUED BY A LICENSED FINANCIAL INSTITUTION, OR SURETY BOND ISSUED BY AN AUTHORIZED INSURER IN THE AMOUNT OF TEN THOUSAND DOLLARS FOR THE PERFORMANCE OF AN INSTALLATION PURSUANT TO THE MANUFACTURER'S INSTRUCTIONS OR STANDARDS PROMULGATED BY THE DIVISION. THE LETTER OF CREDIT, CERTIFICATE OF DEPOSIT, OR SURETY BOND SHALL BE FILED WITH THE DIVISION AT THE SAME TIME THE INITIAL APPLICATION FOR REGISTRATION IS FILED.
- (3) AN APPLICATION FOR REGISTRATION OR CERTIFICATION AS A MANUFACTURED HOME INSTALLER, WHETHER INITIAL OR RENEWAL, SHALL BE SUBMITTED ON A FORM PROVIDED BY THE DIVISION AND SHALL BE NOTARIZED AND VERIFIED BY A DECLARATION SIGNED UNDER PENALTY OF PERJURY BY THE APPLICANT. THE APPLICATION SHALL CONTAIN, IN ADDITION TO ANY OTHER INFORMATION THE DIVISION MAY REASONABLY REQUIRE, THE NAME, ADDRESS, AND TELEPHONE NUMBER OF THE APPLICANT. THE DIVISION SHALL MAKE THE APPLICATION AND DECLARATION AVAILABLE FOR PUBLIC INSPECTION.
- (4) IN ORDER TO BE REGISTERED INITIALLY AS A MANUFACTURED HOME INSTALLER, AN APPLICANT SHALL:
 - (a) BE AT LEAST EIGHTEEN YEARS OF AGE;
- (b) FURNISH WRITTEN EVIDENCE OF SIX MONTHS OF INSTALLATION EXPERIENCE UNDER DIRECT SUPERVISION OF A REGISTERED OR CERTIFIED INSTALLER OR EQUIVALENT TRAINING OR EXPERIENCE AS DETERMINED BY THE DIVISION; AND

- (c) Carry and provide proof of liability insurance in an amount set by the division but not less than one hundred thousand dollars.
- (5) A REGISTRATION ISSUED PURSUANT TO THIS SECTION SHALL BE VALID FOR ONE YEAR FROM THE DATE OF ISSUANCE AND SHALL NOT BE TRANSFERRED OR ASSIGNED TO ANOTHER PERSON. THE AMOUNT OF THE REGISTRATION FEE SHALL BE NO MORE THAN TWO HUNDRED FIFTY DOLLARS. IF ANY OF THE APPLICATION INFORMATION FOR THE REGISTERED INSTALLER CHANGES AFTER THE ISSUANCE OF A REGISTRATION, THE REGISTERED INSTALLER SHALL NOTIFY THE DIVISION IN WRITING WITHIN THIRTY DAYS FROM THE DATE OF THE CHANGE. THE DIVISION MAY SUSPEND, REVOKE, OR DENY RENEWAL OF A REGISTRATION IF THE REGISTERED INSTALLER FAILS TO NOTIFY THE DIVISION OF ANY CHANGE IN THE APPLICATION.
- (6) Any registered installer seeking to renew registration shall, at the time of applying for renewal, provide proof of liability insurance and a letter of credit, certificate of deposit, or surety bond for the registration term in compliance with subsections (2) and (4) of this section.
- (7) (a) ANY REGISTERED INSTALLER WHO HAS PERFORMED FIVE INSTALLATIONS THAT HAVE PASSED INSPECTION BY THE DIVISION MAY APPLY TO THE DIVISION FOR CERTIFICATION. THE DIVISION SHALL ISSUE CERTIFICATION TO QUALIFIED REGISTERED INSTALLERS. THE DIVISION SHALL NOT CHARGE A FEE FOR CERTIFICATION OF INSTALLERS.
- (b) Installations performed by certified installers shall only be inspected by the division or an independent contractor upon the written request of the owner, installer, manufacturer, or retailer. The owner, installer, manufacturer, or retailer shall have the right to be present at any inspection.
- **24-32-3316.** Compliance with manufacturer's installation instructions. Any Installation of a manufactured home in this state shall be performed in strict accordance with the applicable manufacturer's installation instructions. Where the manufacturer's instructions are not applicable, installation shall be in accordance with standards promulgated by the division. A copy of the manufacturer's instructions or the standards promulgated by the division shall be available at the time of installation and inspection.
- **24-32-3317. Installation of manufactured homes certificates inspections rules.** (1) Before beginning the installation of a manufactured home, the owner or registered installer of a manufactured home shall make an application for an installer's certificate from the division.
- (2) THE DIVISION MAY CERTIFY ANY INSTALLER WHO PROVIDES EVIDENCE OF FIVE OR MORE INSTALLATIONS OF MANUFACTURED HOMES PERFORMED BY THE INSTALLER FOR WHICH CERTIFICATES HAVE PREVIOUSLY BEEN ISSUED PURSUANT TO THIS SECTION WHEN, IN THE JUDGMENT OF THE DIVISION, THE INSTALLER HAS DEMONSTRATED THE ABILITY TO SUCCESSFULLY COMPLETE INSTALLATIONS OF MANUFACTURED HOMES IN ACCORDANCE WITH THE REQUIREMENTS OF THIS PART 33. AN INSTALLER CERTIFIED BY THE DIVISION MAY, AT THE TIME OF OBTAINING AN INSTALLATION CERTIFICATE

REQUIRED BY SUBSECTION (1) OF THIS SECTION, OBTAIN A STANDARD FORM OF CERTIFICATE OF INSTALLATION TO BE COMPLETED BY THE CERTIFIED INSTALLER UPON COMPLETION OF THE INSTALLATION OF THE MANUFACTURED HOME IN ACCORDANCE WITH THE REQUIREMENTS OF THIS PART 33. THE CERTIFIED INSTALLER SHALL, UPON ATTACHMENT OF THE CERTIFICATE OF INSTALLATION TO THE MANUFACTURED HOME, TRANSMIT A REPORT OF THE CERTIFICATE TO THE DIVISION. THE DIVISION OR INDEPENDENT CONTRACTOR AT THE REQUEST OF THE DIVISION MAY, AT THE DIVISION'S SOLE DISCRETION, INSPECT THE INSTALLATION OF ANY MANUFACTURED HOME PERFORMED BY A CERTIFIED INSTALLER PURSUANT TO THIS SUBSECTION (2) AND MAY REQUIRE THE CERTIFIED INSTALLER TO CORRECT, WITHIN A PERIOD ESTABLISHED BY RULE PROMULGATED BY THE BOARD, ANY DEFECTS OR DEFICIENCIES IN THE INSTALLATION. THE DIVISION MAY REVOKE THE CERTIFICATION OF ANY INSTALLER CERTIFIED PURSUANT TO THIS SUBSECTION (2) WHEN, IN THE JUDGMENT OF THE DIVISION, THE INSTALLER HAS PERFORMED INSTALLATIONS OF A MANUFACTURED HOME IN VIOLATION OF THE REQUIREMENTS OF THIS PART 33. ANY INSTALLER WHOSE CERTIFICATION HAS BEEN SO REVOKED MAY APPLY FOR RECERTIFICATION IN ACCORDANCE WITH RULES PROMULGATED BY THE DIVISION.

- (3) (a) The division may suspend or revoke the registration of a registered installer if the installer fails to:
 - (I) COMPLY WITH THE REGISTRATION REQUIREMENTS OF SECTION 24-32-3315; OR
 - (II) OTHERWISE PAY TO THE OWNER OR OCCUPANT OF A MANUFACTURED HOME:
- (A) THE COST OF AN INSPECTION THAT FAILS TO MEET THE REQUIREMENTS OF THE MANUFACTURER'S INSTRUCTIONS OR THE STANDARDS PROMULGATED BY THE DIVISION;
- (B) THE COST OF ANY SUBSEQUENT REPAIRS THAT ARE NECESSARY TO BRING THE INSTALLATION INTO COMPLIANCE WITH THE MANUFACTURER'S INSTRUCTIONS OR THE STANDARDS PROMULGATED BY THE DIVISION; OR
 - (C) THE COST OF SUBSEQUENT REQUIRED INSPECTIONS.
 - (b) THE DIVISION MAY EXECUTE A PERFORMANCE BOND ON BEHALF OF AN OWNER.
- (4) AN OWNER AND A REGISTERED INSTALLER SHALL DISPLAY AN INSTALLER'S CERTIFICATE AT THE SITE OF A MANUFACTURED HOME TO BE INSTALLED UNTIL A CERTIFICATE OF INSTALLATION IS ISSUED BY THE DIVISION.
- (5) (a) The division shall adopt rules that specify a standard form to be used statewide by the division or an independent contractor as a certificate of installation certifying that a manufactured home was installed in compliance with the provisions of this part 33. The certificate of installation shall include but not be limited to the following:
 - (I) THE NAME, ADDRESS, AND TELEPHONE NUMBER OF THE DIVISION;
 - (II) THE DATE THE INSTALLATION WAS COMPLETED; AND

- (III) THE NAME, ADDRESS, TELEPHONE NUMBER, AND REGISTRATION NUMBER OF THE REGISTERED INSTALLER WHO PERFORMED THE INSTALLATION.
- (b) If a vacant manufactured home fails an installation inspection because of conditions that endanger the healthor safety of the occupant, the manufactured home shall not be occupied. If a manufactured home fails an installation inspection because of conditions that do not endanger the health or safety of the occupant, the manufactured home may be occupied pending the correction of those defects or deficiencies that served as the basis of the failed inspection.
- (6) In addition to inspections performed pursuant to subsection (2) of this section, the division or the independent contractor that performs inspections and enforcement of proper installation of manufactured homes shall inspect the installation of a manufactured home upon request filed by the owner, installer, manufacturer, or retailer of a manufactured home. The inspection shall be paid for by the party who requested the inspection.
- (7) IF THE INSTALLATION OF A MANUFACTURED HOME BY AN INSTALLER HAS FAILED THE INSPECTION CONDUCTED BY THE DIVISION OR THE INDEPENDENT CONTRACTOR AND IT IS DETERMINED BY THE DIVISION OR THE INDEPENDENT CONTRACTOR THAT THE INSTALLER HAS VIOLATED ANY OF THE INSTALLATION STANDARDS PROMULGATED BY THE DIVISION, THE INSTALLER SHALL REIMBURSE THE PARTY REQUESTING THE INSPECTION FOR THE COST OF THE FAILED INSPECTION AND SHALL PAY FOR ANY SUBSEQUENT REPAIRS NECESSARY TO BRING THE INSTALLATION INTO COMPLIANCE WITH THE MANUFACTURER'S INSTRUCTIONS OR STANDARDS PROMULGATED BY THE DIVISION. THE INSTALLER SHALL ALSO PAY FOR ANY SUBSEQUENT INSPECTIONS REQUIRED BY THE DIVISION OR THE INDEPENDENT CONTRACTOR. FAILURE OF THE INSTALLER TO PAY FOR ANY INSPECTIONS OR SUBSEQUENT REPAIRS DEEMED NECESSARY BY THE DIVISION OR THE INDEPENDENT CONTRACTOR SHALL RESULT IN THE FORFEITURE OF THE INSTALLER'S PERFORMANCE BOND ON BEHALF OF THE OWNER OF THE MANUFACTURED HOME.
- (8) The division may authorize an independent contractor to perform inspections and enforcement of proper installation of manufactured homes. The division may provide training for independent contractors. Independent contractors shall be certified by the division to perform installation inspections. The division shall establish by rule the qualifications of an inspector and the areas of expertise necessary for inspecting manufactured homes. The qualifications for an inspector include but are not limited to those of a professional civil engineer or local housing inspector or independent contractor.
- (9) If an installation or subsequent repair of an installation by an installer fails to meet the standards promulgated by the division within a period determined by the division, the division shall investigate the actions of the installer. The division may revoke, suspend, or refuse to renew the registration or certification of the installer for failing to comply with the division's standards regarding installation of a manufactured home. Any independent contractor that knows of an

INSTALLER WHOSE INSTALLATIONS FAIL INSPECTION AND HAVE NOT BEEN CURED BY SUBSEQUENT REPAIR SHALL REQUEST THAT THE DIVISION INVESTIGATE THE INSTALLER.

- (10) THE DIVISION SHALL ADOPT RULES CONCERNING:
- (a) A STANDARD INSTALLER INSPECTION FORM TO BE USED STATEWIDE BY THE DIVISION OR AN INDEPENDENT CONTRACTOR THAT PERFORMS MANUFACTURED HOME INSTALLATION INSPECTION AND ENFORCEMENT ACTIVITIES;
- (b) CERTIFICATION REQUIREMENTS FOR INDEPENDENT CONTRACTORS TO USE TO INSPECT INSTALLATIONS;
 - (c) PROPER INSTALLATION INSPECTION AND ENFORCEMENT STANDARDS;
- (d) A standard certificate of installation to be used statewide by the division; and
- (e) Any other rule necessary for the implementation of manufactured home installation requirements in this part 33.
- 24-32-3318. Local installation standards preempted. A Local Government unit may not adopt less stringent standards for the installation of a manufactured home than those promulgated by the division. A local government unit may not, without express consent by the division, adopt different standards than the standards for the installation of a manufactured home promulgated by the division. Nothing in this section shall preclude a local government unit from enacting standards for manufactured homes concerning unique public safety requirements, such as weight restrictions for snow loads or wind shear factors, as otherwise permitted by law.
- **24-32-3319. Prohibited acts.** It shall be unlawful for any person to perform an installation without regard to whether the person receives compensation, except as provided in this part 33. Any intentional violation of the installation provisions of this part 33 constitutes a deceptive trade practice subject to the provisions of article 1 of title 6, C.R.S. However, damages shall be limited in accordance with the provisions of section 6-1-113 (2.7), C.R.S.
- **24-32-3320. Penalty for violation.** Any person found to have performed an installation in a manner contrary to the requirements of this part 33 shall be subject to revocation or suspension of an installer's registration, fines, or any other measures as prescribed by rule promulgated by the division or other applicable Colorado Law. Multiple violations of this part 33 committed during a single installation shall constitute one violation. Each installation performed in violation of this part 33 shall constitute a separate violation. Fines shall be paid to the division and transmitted to the state treasurer who shall credit the fees to the building regulation fund created in section 24-32-3309.

- **24-32-3321.** Investigations of consumer complaints. The DIVISION MAY INVESTIGATE COMPLAINTS FILED BY OWNERS, OCCUPANTS, OR OTHER CONSUMERS RELATING TO THE INSTALLATION OF MANUFACTURED HOMES AS NECESSARY TO ENFORCE AND ADMINISTER THIS PART 33.
- **24-32-3322.** Training of inspectors acceptance of gifts, grants, and donations. (1) On and after July 1, 2000, the division shall train independent contractors to perform installation inspections for manufactured homes. The training shall enable independent contractors who successfully complete the training to become certified by the division.
- (2) On and after July 1, 2000, the division may accept gifts, grants, or donations for the training of independent contractors. The gifts, grants, or donations received shall be transmitted to the state treasurer who shall credit the moneys to the building regulation fund created in section 24-32-3309.
- 24-32-3323. Sellers of manufactured homes registration. (1) Any person whose business involves the sale of manufactured homes shall be required to register with the division before engaging in the business of selling manufactured homes in Colorado. Any person who wishes to engage in the business of selling manufactured homes in Colorado through advertising or sales activities but who does not operate a retail location in Colorado shall obtain a single registration. Any person who wishes to engage in the business of selling manufactured homes from one or more retail locations in Colorado shall obtain a separate registration for each location. The registration requirements of this section shall not apply to any individual who, for a salary, commission, or compensation of any kind, is employed directly or indirectly by any registered manufactured home seller to sell or negotiate for the sale of manufactured homes.
- (2) An application for a registration or renewal required by this section shall be submitted on a form provided by the division and shall be verified by a declaration signed, under penalty of perjury, by a principal of the manufactured home seller. The application shall contain, in addition to such other information regarding the conduct of the manufactured home seller's business as the division may reasonably require, the name, address, and position of each principal of the manufactured home seller and each person who exercises management responsibilities as part of the manufactured home seller's business activities. The application shall also contain the address and telephone number of each retail location operated by the applicant as well as the location and account number of the separate fiduciary account required by section 24-32-3324 (1). The declaration shall specify the date and location of the signing, and the division shall preserve the application and declaration and make them available for public inspection.
- (3) A registration issued pursuant to subsection (2) of this section shall be valid for one year after the date of issuance. The amount of the registration fee shall be no more than two hundred dollars. If, after

ISSUANCE OF A REGISTRATION, ANY OF THE REQUIRED INFORMATION SUBMITTED WITH THE APPLICATION FOR THE REGISTRATION PURSUANT TO SUBSECTION (2) OF THIS SECTION BECOMES INACCURATE, A PRINCIPAL OF THE MANUFACTURED HOME SELLER SHALL NOTIFY THE DIVISION IN WRITING OF THE INACCURACY WITHIN THIRTY DAYS AND PROVIDE THE DIVISION WITH ACCURATE UPDATED INFORMATION.

- (4) FOR PURPOSES OF THIS SECTION, A PERSON IS NOT ENGAGED IN THE BUSINESS OF SELLING MANUFACTURED HOMES IF THE PERSON:
- (a) IS A NATURAL PERSON ACTING PERSONALLY IN SELLING A MANUFACTURED HOME OWNED OR LEASED BY THE PERSON;
- (b) Sells a manufactured home in the course of engaging in activities that are subject to the provisions of article 61 of title 12, C.R.S., or activities that would be subject to the provisions but for a specific exemption set forth in article 61 of title 12, C.R.S.;
 - (c) Sells a manufactured home for salvage or nonresidential use; or
- (d) DIRECTLY OR INDIRECTLY SELLS, IN ANY CALENDAR YEAR, THREE OR FEWER PREVIOUSLY OCCUPIED MANUFACTURED HOMES THAT ARE OWNED BY A MANUFACTURED HOME PARK OWNER AND ARE LOCATED WITHIN ONE OR MORE MANUFACTURED HOME PARKS IN COLORADO.
- **24-32-3324.** Escrow and bonding requirements. (1) Any person required to register with the division pursuant to section 24-32-3323 shall escrow all manufactured home sale down payments in a separate fiduciary account in a bank or trust company that does business in the state of Colorado until the manufactured home is delivered to the purchaser.
- (2) A PERSON REQUIRED TO REGISTER WITH THE DIVISION PURSUANT TO SECTION 24-32-3323 SHALL PROVIDE A LETTER OF CREDIT, CERTIFICATE OF DEPOSIT ISSUED BY A LICENSED FINANCIAL INSTITUTION, OR SURETY BOND ISSUED BY AN AUTHORIZED INSURER IN THE AMOUNT OF FIFTY THOUSAND DOLLARS AND CONDITIONED UPON THE PERSON'S REFUND OF ANY HOME SALE DOWN PAYMENT IN ACCORDANCE WITH THE TERMS OF THE CONTRACT PURSUANT TO WHICH THE PAYMENT WAS RECEIVED. A PERSON REOUIRED TO REGISTER WITH THE DIVISION PURSUANT TO SECTION 24-32-3323 WHO WISHES TO ENGAGE IN THE BUSINESS OF SELLING MANUFACTURED HOMES FROM ONE OR MORE RETAIL LOCATIONS IN COLORADO NEED NOT PROVIDE A SEPARATE LETTER OF CREDIT, CERTIFICATE OF DEPOSIT, OR SURETY BOND FOR EACH RETAIL LOCATION, BUT MAY MEET THE REQUIREMENTS OF THIS SECTION BY PROVIDING A SINGLELETTER OF CREDIT, CERTIFICATE OF DEPOSIT, OR SURETY BOND. THE LETTER OF CREDIT, CERTIFICATE OF DEPOSIT, OR SURETY BOND SHALL BE FILED WITH THE DIVISION AT THE SAME TIME AS THE INITIAL APPLICATION FOR REGISTRATION AND SHALL BE DRAWN IN FAVOR OF THE ATTORNEY GENERAL FOR THE USE OF THE PEOPLE OF COLORADO. AT LEAST ONCE PER MONTH, THE DIVISION SHALL SEND THE ATTORNEY GENERAL AN UPDATED LIST OF ALL PERSONS REGISTERED AND BONDED PURSUANT TO THE REQUIREMENTS OF THIS PART 33. THE LETTER OF CREDIT, CERTIFICATE OF DEPOSIT, OR SURETY BOND SHALL BE REVOCABLE ONLY UPON THE WRITTEN CONSENT OF THE ATTORNEY GENERAL. HOWEVER, A FINANCIAL INSTITUTION OR AUTHORIZED INSURER SHALL ONLY BE REQUIRED TO MAKE PAYMENT TO A PERSON

MAKING A CLAIM AGAINST THE LETTER OF CREDIT, CERTIFICATE OF DEPOSIT, OR SURETY BOND IF A COURT OF COMPETENT JURISDICTION HAS RENDERED A FINAL JUDGMENT IN FAVOR OF SUCH PERSON BASED ON A FINDING THAT THE REGISTERED PERSON FAILED TO REFUND A MANUFACTURED HOME DOWN PAYMENT OR PROVIDE A REASONABLE PER DIEM LIVING EXPENSE IN VIOLATION OF THE CONTRACTUAL PROVISIONS REQUIRED BY SECTION 24-32-3325 OR UPON A CEASING OF BUSINESS OPERATIONS OR A BANKRUPTCY FILING BY THE REGISTERED PERSON. ANY PERSON WHO IS REQUIRED TO REGISTER WITH THE DIVISION PURSUANT TO SECTION 24-32-3323 AND WHO FAILS TO PROVIDE A LETTER OF CREDIT, CERTIFICATE OF DEPOSIT, OR SURETY BOND AS REQUIRED BY THIS SUBSECTION (2) OR WHO OTHERWISE FAILS TO PAY ANY JUDGMENT BY A COURT OF COMPETENT JURISDICTION IN FAVOR OF A PURCHASER OF A MANUFACTURED HOME SHALL BE SUBJECT TO THE SUSPENSION OR REVOCATION OF THE REGISTRATION BY THE DIVISION.

- **24-32-3325.** Contract for sale of manufactured home requirements. (1) A SELLER WHO IS REQUIRED TO REGISTER WITH THE DIVISION PURSUANT TO SECTION 24-32-3323 SHALL MAKE THE FOLLOWING DISCLOSURES IN ANY CONTRACT FOR THE SALE OF A MANUFACTURED HOME:
- (a) THAT THE BUYER MAY HAVE NO LEGAL RIGHT TO RESCIND THE CONTRACT ABSENT DELINQUENT DELIVERY OF THE MANUFACTURED HOME OR THE EXISTENCE OF A SPECIFIC RIGHT OF RESCISSION SET FORTH IN THE CONTRACT;
- (b) That the seller has a separate fiduciary account for the escrow of home sale down payments pending delivery of the manufactured home and a letter of credit, certificate of deposit, or surety bond filed with the division for the repayment of home sale down payments pending delivery of manufactured homes;
- (c) That an aggrieved person may file a complaint for a refund of a down payment held in escrow by a seller of manufactured homes against the seller with the attorney general or with the district attorney for the district in which the sale occurs; and
- (d) That an aggrieved person may bring a civil action pursuant to the provisions of the "Colorado Consumer Protection Act", article 1 of title 6, C.R.S, to remedy violations of manufactured home seller requirements in this part 33.
- (2) A CONTRACT FOR THE SALE OF A MANUFACTURED HOME BY A PERSON WHO IS REQUIRED TO REGISTER WITH THE DIVISION PURSUANT TO SECTION 24-32-3323 SHALL CONTAIN THE FOLLOWING PROVISIONS:
- (a) A DATE CERTAIN FOR THE DELIVERY OF THE MANUFACTURED HOME OR A LISTING OF SPECIFIED DELIVERY PRECONDITIONS THAT MUST OCCUR BEFORE A DATE CERTAIN FOR DELIVERY CAN BE DETERMINED; AND
- (b) A STATEMENT THAT IF DELIVERY OF THE MANUFACTURED HOME IS DELAYED BY MORE THAN SIXTY DAYS AFTER THE DELIVERY DATE SPECIFIED IN THE CONTRACT OF SALE OR BY MORE THAN SIXTY DAYS AFTER THE DELIVERY PRECONDITIONS SET FORTH IN THE CONTRACT OF SALE HAVE BEEN MET IF NO DATE CERTAIN FOR DELIVERY HAS

BEEN SET, THE SELLER WILL EITHER REFUND THE MANUFACTURED HOME SALE DOWN PAYMENT OR PROVIDE A REASONABLE PER DIEM LIVING EXPENSE TO THE BUYER FOR THE DAYS BETWEEN THE DELIVERY DATE SPECIFIED IN THE CONTRACT OR THE SIXTY-FIRST DAY AFTER THE DELIVERY PRECONDITIONS SET FORTH IN THE CONTRACT HAVE BEEN MET, WHICHEVER IS APPLICABLE, AND THE ACTUAL DATE OF DELIVERY, UNLESS THE DELAY IN DELIVERY IS UNAVOIDABLE OR CAUSED BY THE BUYER.

- **24-32-3326.** Unlawful manufactured home sale practices. (1) ANY PERSON WHO IS REQUIRED TO REGISTER WITH THE DIVISION PURSUANT TO SECTION 24-32-3323 ENGAGES IN AN UNLAWFUL MANUFACTURED HOME SALE PRACTICE WHEN THE PERSON:
- (a) FAILS TO COMPLY WITH THE REGISTRATION REQUIREMENTS OF SECTION 24-32-3323;
- (b) FAILS TO COMPLY WITH THE ESCROW AND BONDING REQUIREMENTS OF SECTION 24-32-3324:
- (c) FAILS TO INCLUDE IN ANY CONTRACT FOR THE SALE OF A MANUFACTURED HOME ANY OF THE DISCLOSURES OR CONTRACT PROVISIONS REQUIRED BY SECTION 24-32-3325; OR
- (d) Fails to refund a manufactured home down payment or provide a reasonable per diem living expense in violation of the contractual provisions required by section 24-32-3325 (2) (b).
- **24-32-3327. Inspections.** (1) FOR THE PURPOSES OF ENFORCEMENT OF THIS PART 33, PERSONS DULY DESIGNATED BY THE STATE DIRECTOR OF HOUSING, UPON PRESENTING APPROPRIATE CREDENTIALS TO THE OWNER, OPERATOR, OR AGENT IN CHARGE, ARE AUTHORIZED:
- (a) TO ENTER AT REASONABLE TIMES AND WITHOUT ADVANCE NOTICE ANY FACTORY, WAREHOUSE, OR ESTABLISHMENT IN WHICH MANUFACTURED HOMES OR FACTORY-BUILT STRUCTURES ARE MANUFACTURED, STORED, OR HELD FOR SALE;
- (b) To inspect at reasonable times, within reasonable limits, and in a reasonable manner, any factory, warehouse, or establishment in which manufactured homes or factory-built structures are manufactured, stored, or held for sale and to inspect any books, papers, records, and documents that relate to the safety of manufactured homes or factory-built structures. Each inspection shall be commenced and completed with reasonable promptness;
- (c) TO ENTER AT REASONABLE TIMES AND WITHOUT ADVANCE NOTICE ANY SITE ON WHICH MANUFACTURED HOUSING IS OR HAS BEEN INSTALLED FOR THE FIRST TIME FOR RESIDENTIAL USE; AND
- (d) To inspect at reasonable times, within reasonable limits, and in a reasonable manner any initial residential use installation and inspect any books, papers, records, and documents that relate to the proper installation of manufactured housing.

- (2) IN ADDITION TO ANY OTHER INSPECTION RESPONSIBILITIES, THE DIVISION SHALL HAVE THE RESPONSIBILITY FOR THE ELECTRICAL INSPECTIONS OF ANY FACTORY-BUILT STRUCTURES IN PLANTS THAT ARE CERTIFIED BY THE DIVISION PURSUANT TO THIS PART 33.
- (3) When acting as agent for the federal government, the division is authorized to conduct inspections and investigations pursuant to this section as may be necessary to promulgate or enforce federal manufactured home construction and safety standards established under the federal act or otherwise to carry out its duties under its agreement as agent. The division shall furnish the secretary any information obtained indicating noncompliance with the standards for appropriate action.
- (4) THE STATE DIRECTOR OF HOUSING IS AUTHORIZED TO CONTRACT, AS AN AGENT FOR THE FEDERAL GOVERNMENT TO:
 - (a) CONDUCT INSPECTIONS, HEARINGS, AND BUILDING PLAN APPROVALS;
 - (b) KEEP RECORDS;
 - (c) REPORT INSPECTIONS; AND
- (d) PERFORM ALL OTHER NECESSARY ACTIVITIES TO FULFILL FEDERAL FUNCTIONS UNDER THE FEDERAL ACT.
 - **SECTION 3.** 6-1-105 (1) (ss), Colorado Revised Statutes, is amended to read:
- **6-1-105. Deceptive trade practices.** (1) A person engages in a deceptive trade practice when, in the course of such person's business, vocation, or occupation, such person:
- (ss) Violates part 31 ANY PROVISION OF PART 33 of article 32 of title 24, C.R.S., THAT APPLIES TO THE INSTALLATION OF MANUFACTURED HOMES;
 - **SECTION 4.** 6-1-113 (2.7), Colorado Revised Statutes, is amended to read:
- **6-1-113. Damages.** (2.7) Notwithstanding the provisions of subsection (2) of this section, in the case of any violation of section 6-1-105 (1) (ss), the court may award reasonable costs of the action and attorney fees and interest, and in addition, the prevailing party shall be entitled only to damages in an amount sufficient to refund moneys actually paid for the installation of a manufactured home not installed in accordance with the provisions of part 31 PART 33 of article 32 of title 24, C.R.S., THAT APPLY TO THE INSTALLATION OF MANUFACTURED HOMES.
 - **SECTION 5.** 6-1-709, Colorado Revised Statutes, is amended to read:
- **6-1-709. Sales of manufactured homes deceptive trade practices.** (1) A person engages in a deceptive trade practice when, in the course of such person's business, vocation, or occupation, such person:

(a) Engages in conduct that constitutes an unlawful manufactured home sale practice as described in section 6-1-606 SECTION 24-32-3326, C.R.S.

SECTION 6. 12-23-116 (2), Colorado Revised Statutes, is amended to read:

12-23-116. Inspection - application - standards. (2) Any electrical installation in any new construction or remodeling or repair, other than manufactured units certified by the division of housing pursuant to section 24-32-715 SECTION 24-32-3311, C.R.S., except in any incorporated town or city, any county, or any city and county having its own electrical code and inspection equal to the minimum standards as are provided in this article, shall be inspected by a state electrical inspector. A state electrical inspector shall inspect any new construction, remodeling, or repair subject to the provisions of this subsection (2) within three working days after the receipt of the application for inspection. If the inspection is not performed within five working days, work may resume on any such construction, repair, or remodeling. Prior to the commencement of any such electrical installation, the person making such installation shall make application for inspection and pay the required fee therefor. Every mobile home or movable structure owner shall have the electric utility hookup for such mobile home or movable structure inspected prior to obtaining new or different utility service; except that nothing in this subsection (2) shall require a reinspection of electrical hookup facilities of any mobile home park or any mobile home or other movable structure by reason of the relocation of a mobile home or other movable structure within the park where a previous inspection has been performed, unless construction or remodeling or repair of such mobile home park hookup facilities or of the mobile home or other movable structure involving the electrical system has been performed, and except that, if the wiring thereof has not been altered and either such mobile home or movable structure has a valid state electrical board approval sticker in the panel of the mobile home or movable structure with the number of the unit listed, the date inspected, and the inspector's signature or if such mobile home or movable structure has been certified by the division of housing in the department of local affairs after June 30, 1988, the occupant of the mobile home or movable structure may call the board with this information, and the board will authorize the reinstallation of the meter by the utility company.

SECTION 7. 39-26-114 (10), Colorado Revised Statutes, is amended to read:

39-26-114. Exemptions - disputes - credits or refunds - definitions - creation of fund. (10) Forty-eight percent of the purchase price of factory-built housing, as such housing is defined in section 24-32-703 (3) SECTION 24-32-3302 (10), C.R.S., shall be exempt from taxation under this part 1; except that the entire purchase price in any subsequent sale of a manufactured home, as such vehicle is defined in section 42-1-102 (106) (b), C.R.S., after such manufactured home has been once subject to the payment of sales tax by virtue of section 39-26-113, shall be exempt from taxation under this part 1.

SECTION 8. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: March 5, 2003